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Chapter No. 101
18/SS26/A181SG
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SENATE BILL NO. 2963

Originated in Senate

Liz Welch

Secretary

SENATE BILL NO. 2963

AN ACT MAKING AN APPROPRIATION FOR THE PURPOSE OF DEFRAYING THE EXPENSES OF THE MISSISSIPPI DEPARTMENT OF REVENUE, INCLUDING THE HOMESTEAD EXEMPTION DIVISION, THE MOTOR VEHICLE COMPTROLLER FUNCTIONS, THE ALCOHOLIC BEVERAGE CONTROL DIVISION, AND THE BUREAU OF TELECOMMUNICATIONS, FOR THE PURPOSE OF REIMBURSING THE COUNTIES, COUNTY DISTRICTS AND MUNICIPAL SEPARATE SCHOOL DISTRICTS FOR TAX LOSSES INCURRED BY REASON OF THE EXEMPTION OF HOMES FROM CERTAIN AD VALOREM TAXES, AND FOR THE PURPOSE OF PURCHASING MOTOR VEHICLE LICENSE TAGS FOR FISCAL YEAR 2019.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State General Fund not otherwise appropriated, for the purpose of defraying the expenses of the Mississippi Department of Revenue, including the Homestead Exemption Division, the Motor Vehicle Comptroller functions, the Alcoholic Beverage Control Division and the Bureau of Telecommunications, for the fiscal year beginning July 1, 2018, and ending June 30, 2019..... \$ 38,322,599.00.

SECTION 2. The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the special fund in the State Treasury to the credit of the Mississippi

Department of Revenue which are collected by or otherwise become available for the purpose of defraying the expenses of the department for the fiscal year beginning July 1, 2018, and ending June 30, 2019 \$ 24,768,033.00.

SECTION 3. Of the funds appropriated under the provisions of Sections 1 and 2, not more than the following amounts set forth below shall be expended:

GENERAL ADMINISTRATION

FUNDING:

General Funds	\$ 9,239,958.00
Special Funds	<u>20,843,758.00</u>
Total\$ 30,083,716.00

With the funds appropriated for this budget, it is the intention of the Legislature that it shall be the agency's responsibility to make certain that funds required to be appropriated for "Personal Services" do not exceed the following amount:.....\$ 10,886,198.00

AUTHORIZED POSITIONS:

Permanent:	Full Time	183
	Part Time	1
Time-Limited:	Full Time	0
	Part Time	0

TAX ADMINISTRATION

FUNDING:

General Funds	\$ 6,013,861.00
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Special Funds 458,613.00

Total\$ 6,472,474.00

With the funds appropriated for this budget, it is the intention of the Legislature that it shall be the agency's responsibility to make certain that funds required to be appropriated for "Personal Services" do not exceed the following amount:.....\$ 6,998,475.00

AUTHORIZED POSITIONS:

Permanent: Full Time 144

Part Time 0

Time-Limited: Full Time 0

Part Time 0

AUDIT

FUNDING:

General Funds \$ 8,527,265.00

Special Funds 393,374.00

Total\$ 8,920,639.00

With the funds appropriated for this budget, it is the intention of the Legislature that it shall be the agency's responsibility to make certain that funds required to be appropriated for "Personal Services" do not exceed the following amount:.....\$ 8,951,123.00

AUTHORIZED POSITIONS:

Permanent: Full Time 158

Part Time 0

Time-Limited: Full Time	0
Part Time	0

TAX ENFORCEMENT

FUNDING:

General Funds	\$	6,034,570.00
Special Funds		<u>967,546.00</u>
Total	\$	7,002,116.00

With the funds appropriated for this budget, it is the intention of the Legislature that it shall be the agency's responsibility to make certain that funds required to be appropriated for "Personal Services" do not exceed the following amount:.....\$ 6,118,786.00

AUTHORIZED POSITIONS:

Permanent: Full Time	126
Part Time	0
Time-Limited: Full Time	0
Part Time	0

PROPERTY & MOTOR VEHICLE SERVICES

FUNDING:

General Funds	\$	3,159,855.00
Special Funds		<u>571,286.00</u>
Total	\$	3,731,141.00

With the funds appropriated for this budget, it is the intention of the Legislature that it shall be the agency's responsibility to make certain that funds required to be

appropriated for "Personal Services" do not exceed the following
amount:.....\$ 3,551,268.00

AUTHORIZED POSITIONS:

Permanent:	Full Time	87
	Part Time	0
Time-Limited:	Full Time	0
	Part Time	0

ALCOHOL BEVERAGE CONTROL

FUNDING:

General Funds	\$ 5,347,090.00
Special Funds	<u>1,533,456.00</u>
Total\$ 6,880,546.00

With the funds appropriated for this budget, it is the
intention of the Legislature that it shall be the agency's
responsibility to make certain that funds required to be
appropriated for "Personal Services" do not exceed the following
amount:.....\$ 5,745,608.00

AUTHORIZED POSITIONS:

Permanent:	Full Time	136
	Part Time	0
Time-Limited:	Full Time	0
	Part Time	0

With the funds herein appropriated, it shall be the agency's
responsibility to make certain that funds required to be
appropriated for "Personal Services" for Fiscal Year 2020 do not

exceed Fiscal Year 2019 funds appropriated for that purpose, unless programs or positions are added to the agency's Fiscal Year 2019 budget by the Mississippi Legislature. Based on data provided by the Legislative Budget Office, the State Personnel Board shall determine and publish the projected annual cost to fully fund all appropriated positions in compliance with the provisions of this act. It shall be the responsibility of the agency head to ensure that no single personnel action increases this projected annual cost and/or the Fiscal Year 2019 appropriations for "Personal Services" when annualized, with the exception of escalated funds and the award of benchmarks. If, at the time the agency takes any action to change "Personal Services," the State Personnel Board determines that the agency has taken an action which would cause the agency to exceed this projected annual cost or the Fiscal Year 2019 "Personal Services" appropriated level, when annualized, then only those actions which reduce the projected annual cost and/or the appropriation requirement will be processed by the State Personnel Board until such time as the requirements of this provision are met.

Any transfers or escalations shall be made in accordance with the terms, conditions and procedures established by law or allowable under the terms set forth within this act. The State Personnel Board shall not escalate positions without written approval from the Department of Finance and Administration. The Department of Finance and Administration shall not provide written

approval to escalate any funds for salaries and/or positions without proof of availability of new or additional funds above the appropriated level.

No general funds authorized to be expended herein shall be used to replace federal funds and/or other special funds which are being used for salaries authorized under the provisions of this act and which are withdrawn and no longer available.

None of the funds herein appropriated shall be used in violation of Internal Revenue Service's Publication 15-A relating to the reporting of income paid to contract employees, as interpreted by the Office of the State Auditor.

SECTION 4. The Commissioner of the Department of Revenue shall have the authority to transfer from any funds appropriated herein from any program and salaries category, and if necessary their associated PINS, within the Department of Revenue to any other program of the Department of Revenue in an amount not to exceed twenty percent (20%) of the total amount of funds appropriated during Fiscal Year 2019.

SECTION 5. It shall be the duty of the Chairman of the Mississippi Department of Revenue, and he is hereby empowered to select in the manner provided by Section 27-3-13, Mississippi Code of 1972, such employees as may be necessary to the administration of all acts relating to the exemption of homesteads and the reimbursement of tax losses to the several taxing units of the

state, and to assign them to the use of the Mississippi Department of Revenue.

SECTION 6. The money herein appropriated may be used for any expenses which the commission may legally incur. Provided, however, that no part of the money herein appropriated shall be used for the payment of attorney's fees, except upon recommendation of the Governor with the approval of the Attorney General, nor shall any of said funds be used either directly or indirectly for the purpose of paying any clerk, stenographer, assistant, deputy or other employee who may be related by blood or marriage within the third degree, computed by the rule of civil law, to the official employing or having the right of employment or selection thereof, except that when the relationship is by affinity and the person is dead through whom the relationship was established, this rule shall not apply. In the event of any such payment, then the official or person approving and making such payment shall be liable to return to the State of Mississippi and to pay into the State Treasury to the credit of the General Fund three (3) times any such amount so paid to be recovered at suit by the Attorney General.

SECTION 7. In compliance with the "Mississippi Performance Budget and Strategic Planning Act of 1994," it is the intent of the Legislature that the funds provided herein shall be utilized in the most efficient and effective manner possible to achieve the intended mission of this agency. Based on the funding authorized,

this agency shall make every effort to attain the targeted performance measures provided below:

	FY2019
<u>Performance Measures</u>	<u>Target</u>
General Administration	
Average Cost per Return Processed (\$)	5.46
ROI - Revenue Collected per Dollar of Expense	119.77
Tax Administration	
Cost per Unit of Work (Item/Case/Call) (\$)	14.00
Cost per Call Center Call Answered (\$)	3.00
Audit	
Cost per Audit (\$)	1,105.00
Production Per Audit	9,747.00
Tax Enforcement	
Cost per Dollar Collected in Recovery Actions	0.07
Property & Motor Vehicle Svcs	
Cost per Homestead Exemption Application (\$)	3.35
Cost per Title Issued (\$)	2.78
Alcohol Beverage Control	
Cost per Case Shipped (\$)	1.56
ROI - GF Dollars Returned per Dollar of Cost	16.00

A reporting of the degree to which the performance targets set above have been or are being achieved shall be provided in the agency's budget request submitted to the Joint Legislative Budget Committee for Fiscal Year 2020.

SECTION 8. The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State General Fund not otherwise appropriated, to the Mississippi Department of Revenue for the purpose of reimbursing the counties of the state, the road districts and school districts therein and the municipal separate school districts, for tax losses incurred by reason of the exemption of homes from certain ad valorem taxes under the provisions of Section 27-33-1 et seq., Mississippi Code of 1972, for the fiscal year beginning July 1, 2018, and ending June 30, 2019 \$ 80,625,992.00.

SECTION 9. Each county, road district, school district and municipal separate school district which has incurred a tax loss that is reimbursable under Section 8 of this act shall be reimbursed a sum which is equivalent to the amount of tax loss produced by the application of tax rates annually fixed for maintenance and current expenses to the assessed value of homes, or so much thereof as has been lawfully authorized under the provisions of Section 27-33-1 et seq., Mississippi Code of 1972.

The disbursements from the funds appropriated under the provisions of Section 8 shall be based upon the certificates required of the clerks of the county boards of supervisors and of the clerks of the municipalities, which certificates shall conform strictly in every respect to the requirements of the provisions of Section 27-33-1 et seq., Mississippi Code of 1972.

All disbursements from the funds appropriated under the provisions of Section 8 of this act shall be made strictly in accordance with the provisions of Section 27-33-1 et seq , Mississippi Code of 1972, and no disbursements other than those clearly authorized by those sections shall be made, the provisions of any other law to the contrary notwithstanding.

SECTION 10. None of the funds appropriated under the provisions of Section 8 of this act may be distributed to any county, municipality, school district or other taxing district in which the assessed valuation of the taxing district has increased as a result of reappraisal of the property of the taxing district unless the governing board of the taxing district has published a notice in a newspaper having a general circulation in the taxing district, stating the lower millage rate that would produce the same amount of revenue from ad valorem taxation on property of the taxing district that was produced in the fiscal year before the property of the taxing district was reappraised.

SECTION 11. The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State General Fund not otherwise appropriated, for the purchase and delivery of motor vehicle license tags for the fiscal year beginning July 1, 2018, and ending June 30, 2019.....
.....\$ 3,247,190.00.

SECTION 12. The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the Capital

Expense Fund not otherwise appropriated, for the design and reissue of motor vehicle license tags for the fiscal year beginning July 1, 2018, and ending June 30, 2019...\$ 5,100,000.00.

SECTION 13. Of the funds appropriated under the provisions of Section 2, Two Million Three Hundred Thousand Dollars (\$2,300,000.00), or so much thereof, shall be derived out of any money in the State Treasury to the credit of the Capital Expense Fund, as created in Section 27-103-303, Mississippi Code of 1972, and allocated in a manner as determined by the Treasurer's Office. These funds are provided for purpose of defraying the expenses of the Mississippi Automated Registration Vehicle Information Network ("MARVIN").

SECTION 14. It is the intention of the Legislature that whenever two (2) or more bids are received by this agency for the purchase of commodities or equipment, and whenever all things stated in such received bids are equal with respect to price, quality and service, the Mississippi Industries for the Blind shall be given preference. A similar preference shall be given to the Mississippi Industries for the Blind whenever purchases are made without competitive bids.

SECTION 15. None of the funds appropriated under the provisions of Sections 1 and 2 of this act shall be expended unless an advisory committee continues to coordinate, in an advisory capacity only, with the Department of Revenue in the determination of the collection of statistical data and

information related to economic and tax policy. This advisory committee shall consist of the following members or their designees: the Director of the Legislative Budget Office, the Director of the Joint Legislative PEER Committee, the State Economist, the President of the Mississippi Economic Council and the Director of the Mississippi Economic Policy Center.

SECTION 16. It is the intention of the Legislature that the Mississippi Department of Revenue shall maintain complete accounting and personnel records related to the expenditure of all funds appropriated under this act and that such records shall be in the same format and level of detail as maintained for Fiscal Year 2018. It is further the intention of the Legislature that the agency's budget request for Fiscal Year 2020 shall be submitted to the Joint Legislative Budget Committee in a format and level of detail comparable to the format and level of detail provided during the Fiscal Year 2019 budget request process.

SECTION 17. None of the funds appropriated in Section 11 of this act shall be expended to purchase motor vehicle license tags made or manufactured by any department, agency or instrumentality of a state other than the State of Mississippi. None of the funds appropriated in this section shall be used for the purchase of bolts, nuts or other fastening devices for attaching said motor vehicle license tags. Provided further, that all motor vehicles belonging to any state department, agency, commission, institution or any other division of state government shall have license tags

which shall bear the words "State Property" at the bottom of such license tags.

SECTION 18. Of the funds appropriated in Section 2, the following sum, or so much thereof as may be necessary, is appropriated out of any money in the special fund in the State Treasury to the credit of the Mississippi Department of Revenue which is collected by or otherwise becomes available for the purpose of defraying the expenses of the department's contingent fee contracts, for the fiscal year beginning July 1, 2018, and ending June 30, 2019.....\$ 1,000,000.00.

SECTION 19. The funds appropriated in Section 18 of this act shall be derived from contracts entered into by the Department of Revenue that will be paid on a contingent fee basis, for services rendered to the Department of Revenue where the contracts are for the analysis of taxes, interest, or penalty or the reduction of refunds claimed, under which contracts the contingent fee shall be based on the actual amount of taxes, interest and/or penalties collected and/or the amount by which the claimed refund is reduced. In order to receive the funds appropriated in Section 16 of this act, the Department of Revenue shall do the following:

(a) On or before July 15, 2018, and each succeeding month thereafter through July 15, 2019, deposit in the special fund in the State Treasury to the credit of the Mississippi Department of Revenue ten percent (10%) of any funds derived from work under a such contingent fee contract that would otherwise be

paid into the General Fund, in an amount not to exceed One Million Dollars (\$1,000,000.00); and

(b) Publish an annual report setting forth the number of contracts entered into under this section, the total amount collected using the contingent fee contract, and the percentage of the contingency fee arrangement of each contract.

SECTION 20. Of the funds appropriated in Section 1 of this act, it is the intention of the Legislature that up to Eight Hundred Eleven Thousand Seven Hundred Forty Dollars (\$811,740.00) shall be allocated as follows: to the Municipal Court Collections Program Four Hundred Five Thousand Eight Hundred Seventy Dollars (\$405,870.00) and to the Justice Court Collections Program Four Hundred Five Thousand Eight Hundred Seventy Dollars (\$405,870 00) to be supported from General Fund court assessments.

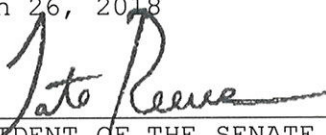
SECTION 21. It is the intention of the Legislature that the funds herein appropriated shall be expended in compliance with Section 27-104-25, Mississippi Code of 1972, that no state agency shall incur obligations or indebtedness in excess of their appropriation and that the responsible officers, either personally or upon their official bonds, shall be held responsible for actions contrary to this provision.

SECTION 22. The money herein appropriated shall be paid by the State Treasurer out of any money in the State Treasury to the credit of the proper fund or funds as set forth in this act, upon warrants issued by the State Fiscal Officer; and the Fiscal

Officer shall issue his warrants upon requisitions signed by the proper person, officer or officers, in the manner provided by law.

SECTION 23. This act shall take effect and be in force from and after July 1, 2018.

PASSED BY THE SENATE
March 26, 2018




PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 26, 2018



SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR



GOVERNOR

April 13, 2018
10:39 AM